

Consumer Alert

Providing consumers with knowledge to make informed decisions

A Publication of the South Carolina Department of Consumer Affairs
Brandolyn Thomas Pinkston, Administrator

Cell Phone Fraud

Costing cell phone carriers more than \$150 million per year, subscriber fraud is the primary type of cell phone fraud today. Defined as the unauthorized use, tampering, or manipulation of a cell phone or cell phone service, subscriber fraud is extremely difficult for consumers to recognize and resolve, as it is not immediately evident fraud has occurred.

Subscriber fraud occurs when a crook illegally signs up for cell phone service with obtained customer information or false identification. Using cell phone accounts obtained with stolen identity information, fraudsters rack up large service bills. When the bills go unpaid, the consumers' credit lines become impaired.

If you think you have been a victim of subscriber fraud, call your billing carrier, or to file a complaint, contact the South Carolina Department of Consumer Affairs at 803.734.4200, 800.922.1594 (toll free in S.C.), or online at www.state.sc.us/consumer.

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From left to right: Carri Grube, Michael Doherty, Governor Sanford, Danny Collins, Wells Williams, Brandolyn Pinkston
 Picture courtesy of the South Carolina Governor's Office

New Gift Card and Gift Certificate Law Protects Consumers

On November 4, 2004, Governor Mark Sanford signed a new state law aimed at protecting consumers when they give gift cards or gift certificates.

While the popularity of gift cards and certificates has risen in recent years, so have consumer complaints of gift card and gift certificate hidden charges and expiration loopholes. Studies show that 20% of gift card recipients never spend the entire amount; often these consumers incur fees and expiration dates that inhibit their spending the original gifted amount later on.

Highlights of the new law are:

- Merchants must disclose the terms and conditions.
- It is illegal to sell a gift card that expires in less than a year unless the expiration date is printed on the card in 10-point type and in capital letters.
- If the gift certificate fails to clearly state the expiration date as required, then it automatically is valid for one year.
- Any other conditions such as declining values or extra fees must be printed on the card, its envelope or any other covering. If not clearly marked, then no fees may be changed.

Focus on Fraud: Spotting Counterfeit Drugs

While they may look like the real thing, counterfeit drugs threaten consumers' health, safety and pockets.

Although relatively rare in the United States, there has been an alarming increase in the counterfeit drug trade. Unaware that they are buying bogus prescription drugs, consumers are duped into buying a product that is potentially dangerous or ineffective. Counterfeit drugs may be contaminated, contain the wrong ingredients or contain no active ingredients.

In order to protect yourself, buy prescription drugs only from U.S. state-licensed pharmacies. If you do purchase your prescription drugs online, make sure the site is a state-licensed pharmacy in good standing by contacting the South Carolina Pharmacy Board at 803.896.4700.

If you suspect you have purchased counterfeit drugs because you have noticed unexpected side effects, or something different or odd about the drugs, contact your local doctor or pharmacist.



Phone Scams:

Consumers should be cautious of all solicitations for money through the phone, as recent complaints have indicated that swindlers have started to use a new deceptive tool – peoples' nicknames.

Although a caller may know your nickname, or that of your significant other, do not be fooled – this is a scam. Do not agree to give or send money to any individual or organization unless it is a legitimate association that you would like to support.

For more information, or if you have a complaint, contact the SCDCA at 803.734.4200, 800.922.1594 (toll-free in S.C.), or www.state.sc.us/consumer.

Questions About a Business?

The South Carolina Department of Consumer Affairs' **Buyer Beware List** has answers. Check out the list at http://www.state.sc.us/consumer/material/buyer_beware_list.pdf in order to protect yourself as a consumer of products and services in South Carolina. The list, which is updated monthly, itemizes the names and contact details of businesses, in and out of state, who have not responded to one or more consumer complaints. In order for a business to be taken off of the list, all of the business' outstanding complaints must be addressed in writing.

If you have questions about other businesses, or would like a copy of the list, contact the South Carolina Department of Consumer Affairs at www.state.sc.us/consumer, or at (803) 734-4200 or (800) 922-1594 (toll free in South Carolina).

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